City of Grass Valley
Redevelopment Agency
Agenda Action Sheet

Council Meeting Date: February 8, 2011
Date Prepared: February 1, 2011

Prepared by: Daniel C. Holler, Executive Director

Title: Agreement with Charles Bobo dba CCS Marketing

Agenda: Consent

Recommended Motion: Approve agreement with Charles Bobo CCS Marketing for the development of a Grass Valley brand and implement a marketing/promotional strategy in an amount not to exceed $7,000.

Background Information: Over the past several months the options for enhancing tourism through effective “brand” development and the implementation of a marketing/promotional strategy for the Grass Valley region has been discussed with area tourism related businesses. Nevada County has also engaged in a broader county wide based branding and marketing effort. The proposal before the Agency builds off of the work done by the County, but has a more narrow focus on Grass Valley. The development of a brand and marketing effort at the local level has a greater ability to leverage local tourism marketing/promotional funding and to support the creation of other funding options such as a tourism business improvement district (TBID). A directed effort is needed to bring together private sector elements of the local tourism business in critical in developing an integrated program that will assist businesses in leveraging current efforts in a coordinated and focused manner. The proposal from CCS Marketing takes a community based approach to developing and implementing a Marketing Action Plan. There are a number of community partners that will need to be engaged and involved in the proposed program. The attached agreement and scope of work provides the outline of the proposed program and scope of work.

Funds Available: Yes
Account #: 500-5700-3039

Reviewed by:

________ City Administrator/Executive Director

Exhibit A

Scope of Work
The following contains —

An overview of the current situation of Grass Valley, California, followed by a set of recommendations to assist the community in developing and implementing a Marketing Action Plan to increase tourism to the area.
Project Vision

This project entails helping Grass Valley identify a strong and rich brand for itself and to develop and implement a marketing/promotions strategy around the brand. The purpose is to build a cohesive tourism strategy that can also assist the community in promoting its economic vitality to build the community in other areas.

Current Situation

Tourism is just one aspect of Grass Valley’s economic make-up. The community has three primary economic engines; tourism, local retail, and small manufacturing/technology.

Though tourism is but one aspect, it is one of the strongest ways to showcase a community to drive the other two engines for retail/service growth and small manufacturing/technology (drawing companies into the area). Additionally, tourism is the engine that drives repeat visitation to an area, based on the quality of the community’s assets, offerings, and experience during tourism visits.

Tourism demographic targeting must be carefully developed to assure:

- The audience is properly matched with the community’s assets and offerings.
- The audience has the disposable income to visit and is within a reasonable distance.
- The audience is able to compliment growth in the other areas of the community.

Grass Valley enjoys a long list of good special events, but lacks a cohesive brand and marketing strategy to effectively capture and maximize tourism visitation. Additionally, there is no formal
organization to help drive tourism. The community organizations consist of the Chamber of Commerce, Arts & Culture, Downtown Business Association, and City Council. Though each organization has its own unique focus, none focus primarily on tourism.

With Grass Valley being such a small community, having a tourism bureau is not a necessity; however, creating a "tourism advisory" team, made of up various representatives from community organizations, can help drive the development of certain goals and strategies to build a stronger tourism brand. It is important to keep a tourism advisory group informal so bureaucratic processes will not hinder progress. Additionally, the community’s tourism budget is not significant enough to necessitate the need of a formal tourism committee and related costs; however, it does need to be made up of the primary organizations that currently fund tourism marketing and promotional programs.

Building a Tourism Action Plan

Nevada County recently hired Switchback PR and Strategic Marketing Group (SMG) to develop a Tourism Strategy to focus on the county. The document provided valuable information, but lacked an overall Action Plan that could be implemented and tracked to drive tourism business. The plan also proposed that regional branding and related efforts continue under the county-wide effort.
Additionally, the findings of the plan confirmed the distinct difference between marketing in Truckee (east) versus Grass Valley (west). As such, this further enunciates the need for Grass Valley to develop and implement its own unique marketing strategy to increase tourism to the area.

There are many aspects to developing an overall tourism strategy, and Grass Valley is in need of the following:

1. An integrated Marketing Action Plan (strategy, action items, budgets, etc.)
2. New community brand that properly reflects the community’s strengths
3. Collateral material to promote the new brand (visitor guide, calendar of events, etc.)
4. Tourism web site (utilizing an already-existing site) to serve as the repository for community promotion, lead capture, and information dissemination
5. Online digital media strategy to maximize search engine optimization, the county’s V-Tour, and the city’s possible iPhone app

This process will be best kicked off through a “Mayor’s Tourism Summit”, which will be a 1.5 to 2-day planning meeting with the Tourism Advisory Team. The summit’s goal is identify a united tourism direction through a process called POWER, which measures and establishes a community’s Performance, Opportunities, Weaknesses, Execution, and Resources. It will include the following activities:

- Establishment of standards and goals of the program
- Compilation and review of community assets & needed collateral materials
- Assessment and selection of key special events from which to build a tourism strategy
- Creative session to identify the key components needed to create a community brand

From the information garnered via the Summit, a Marketing Action Plan will be developed. The Action Plan will provide an overall roadmap/strategy, timeline, action items, media plan, budgets, and recommendations for the branding direction.

The Marketing Action Plan will also include budget estimates for developing creative elements and collateral materials, as well as determining which of the community’s many web sites will best serve as the primary source of tourism marketing. The plan will seek to leverage as many of the
current collateral materials as possible and to simply integrate the new brand identity. These elements can often be created in a "step" or "modular" process so as not to over-extend the community budget and risk leaving no funds for media implementation to generate visitors.

The Marketing Action Plan will also take into consideration some of the current strategies being considered and/or implemented at the county level as well as the city level. The data provided through SMG's Tourism Strategy will be leveraged toward the developing the Action Plan, with particular attention being given to the changes in California tourism numbers and overall economy.

Additionally, the county's V-Tour project and Grass Valley's consideration of developing an iPhone app will also play into the overall Action Plan to compliment other collateral materials, web sites, and the like. One of the looming issues that will be addressed is how to continue ongoing funding needs for such digital media products, as well as the necessary search engine optimization (SEO) strategies that will be needed to drive business to the web sites, V-Tour, iPhone app, and other digital media.

Tourism Metrics
The Tourism Action Plan will be partially built upon and managed (following implementation) with a variety of metrics. Although the Action Plan will need extensive time to truly realize and understand the results, metrics still play a vital role in managing and editing the Action Plan during the implementation phase. Measurement tools can include the following:

- TOT Collections
- Avg. Daily Rate/Room Nights
- Restaurant Tax
- Wines Sales/Tasting Room Visits
- Sales Tax within BID
- Key Event Visitor Counts
- Leveraged Funding
- Retail/Store Activity & Surveys
- Digital Media & SEO tracking

We can use the metrics to determine minor changes/edits that need to be made to the Action Plan. As an example, we may find that attendance and sales during a weekend event increase rather well; however, that TOT revenues remain flat. That opens the door to potentially improve the offer to entice more overnight visit potential. It's a careful balance between analyzing metrics and giving an Action Plan the needed time to germinate and take root.
Project Fees

The proposed fee for the project is $7,000.

The fee includes conducting the summit, travel, research, and development of the Action Plan. Additionally, it includes managing and overseeing creation of the brand, collateral materials, and web site. Additional fees will be charged for production of materials etc. used in the Tourism Marketing Campaign.

Timeline — Time is of the essence in kicking off this project, as the community seeks to have a tourism strategy implemented in May. The proposed timeline is as follows:

- February/March: Mayor's Tourism Summit
- March/April: Action Plan Completed
- April: Action Plan Approved (following edits & budget review)
- 30 Days following Action Plan approval: Creative development period (brand, collateral materials, web)
- May: Launch Tourism Marketing Campaign

If the Summit can be held by no later than the first week of March, the Action Plan can be completed by the third/fourth week of March. This opens the door to creative work beginning in April and being completed in early May, in time for the media plan to kick-off in May.

Additional services can be provided for Grass Valley beyond developing the Action Plan. Those services include an ongoing consultative role to implement and manage the media plan, SEO strategies, and serve as the community’s tourism point-of-contact. Details of that arrangement can be discussed as the need approaches.
CONTRACT FOR SERVICES OF INDEPENDENT CONSULTANT

A contract between the City of Grass Valley Redevelopment Agency ("Agency")

And

Charles Bobo dba CCS Marketing ("Consultant")
6225 Moorfield Ave. Colorado Springs, CO 80919

Whereas, City of Grass Valley Redevelopment Agency, a political subdivision of the State of California, from time to time requires the services of independent Consultants; and

Whereas, it is deemed that the personal services of Consultant herein specified are both necessary and desirable and in the best interests of the Agency; and

Whereas, Consultant represents that she is duly qualified, equipped, staffed, ready, willing and able to perform and render the personal services hereinafter described; and

Whereas, the Agency considered this agreement for approval at a public meeting on February 8, 2011.

NOW, THEREFORE, in consideration of the recitals and mutual agreements contained herein, the Agency does hereby agree to engage the Consultant and Consultant agree to perform the services set forth herein in accordance with the mutually agreed to the terms and conditions as follows:

I. SCOPE OF SERVICES
   A. Consultant shall do all work, attend all meetings, produce all reports and carry out all activities necessary to complete of the services described in the Work Program, attached hereto and incorporated herein by this reference as Exhibit “A”.
   B. Consultant enters into this Contract as an independent Consultant and not as an employee of the Agency. The Consultant shall have no power or authority by this Contract to bind the Agency in any respect. Nothing in this Contract shall be construed to be inconsistent with this relationship or status. All employees, agents, consultants or subconsultants hired or retained by the Consultant working for or under the direction of the Consultant are employees, agents, consultants or subconsultants of the Consultant and not of the Agency. The Agency shall not be obligated in any way to pay any wage claims or other claims made against Consultant by any such employees, agents, consultants or subconsultants, or any other person resulting from performance of this Contract.
   C. The Consultant agrees it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Contract is based on such independent investigation and research.

II. TIME OF PERFORMANCE
   The following time schedule shall be followed:
A. The services of Consultant are to commence upon execution of this Contract by and receipt of written notice to proceed from, Agency, and shall be undertaken and completed in a prompt and timely manner, in accordance with the Schedule of Performance provided in Exhibit “A”.

B. The Agency Administrator or his or her designee may, by written instrument signed by the Parties, extend the duration of this Contract for an additional period not to exceed the lesser of one year or the original term of this Contract, provided that the extension does not require the payment of compensation in excess of the maximum compensation set forth in Section III, Compensation.

C. Consultant may, for good cause, request extensions of time to perform the services required hereunder. Such extensions shall be authorized in advance by the Agency in writing and shall be incorporated in written amendments to this Contract or the attached work program.

III. COMPENSATION

In consideration of the above-referenced services to be performed by Consultant, the Agency agrees to pay Consultant $7,000.00. Provided, however, that in no event shall the fees incurred exceed the total amount stated above unless agreed to in writing by the two parties. Payment will be made upon the receipt of an invoice to be paid in the normal course of business by the Agency as follows:

a. $2,000 upon the final scheduling of the Tourism Summit;

b. $3,000 upon the completion and acceptance by the Agency of the Action Plan;

and

c. $2,000 upon the completion of the “Creative Development” Plan.

IV. TERMINATION

This Contract may be terminated, without cause, at any time by either party upon sixty (60) days’ written notice. Upon receipt of such notice, Consultant shall cease all work under this Contract. In the event of any such termination, the Consultant shall be compensated as provided for in this Contract. The obligations of section XII of this Contract relating to Consultant’s obligations to defend and indemnify the Agency shall survive any termination of this Contract.

V. CHANGES

The Agency may, from time to time, request changes in the scope of the services of Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of Consultant’s compensation and/or changes in the schedule must be authorized in advance by the Agency in writing. Mutually agreed changes shall be incorporated in written amendments to this Contract, or the attached work program.
VI. COMPLIANCE WITH LOCAL LAW
Consultant shall comply with all applicable laws, ordinances, and codes of federal, state and local governments in performing any of the work authorized by this Contract. Consultant will be required to secure a City of Grass Valley Business License.

VII. SUBCONTRACTING
Except as set forth in Exhibit “A” for work to be performed, no other services covered by this Contract shall be subcontracted without the prior written consent of the Agency, which will not be unreasonably withheld. Sub consultants will be used to assist with the creative development portion of the Contract and fees for such work are in addition to Consultant’s fees and will be provided for in the Action Plan. Consultant shall be as fully responsible to the Agency for the negligent acts and omissions of its consultants and sub-consultants, and of persons either directly or indirectly employed by them, as it is for the negligent acts and omissions of persons directly employed by Consultant.

VIII. ASSIGNABILITY
Consultant shall not assign or transfer any interest in this Contract whether by assignment or novation, without the prior written consent of the Agency which will not be unreasonably withheld. Consultant shall furnish promptly notice of any assignment or transfer, whether voluntary or involuntary, shall be to the Agency.

IX. INTEREST IN CONTRACT
Consultant covenants that neither it, nor any of its employees, agents, consultants, and subconsultants has any interest, nor shall they acquire any interest, direct or indirect, in the subject of the Contract, nor any other interest which would conflict in any manner or degree with the performance of its services hereunder.

Consultant shall make all disclosures required by the Agency’s conflict of interest code in accordance with the category designated by the Agency, unless the Agency Administrator determines in writing that Consultant’s duties are more limited in scope than is warranted by the category designated by the Agency code and that a narrower disclosure category should apply. Consultant also agrees to make disclosure in compliance with the Agency conflict of interest code if, at any time after the execution of this agreement, Agency determines and notifies Consultant in writing that Consultant’s duties under this agreement warrant greater disclosure by Consultant than was originally contemplated. Consultant shall make disclosures in the time, place and manner set forth in the conflict of interest code and as directed by the Agency.

X. MATERIALS CONFIDENTIAL
All of the materials prepared or assembled by Consultant pursuant to performance of this Contract are confidential and Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of the Agency, except by court order.
XI. LIABILITY OF CONSULTANT-NEGLIGENCE

Consultant shall be responsible for performing the work under this Contract in a manner which is consistent with the generally accepted standards of the Consultant’s profession and shall be liable for its own negligence and the negligent acts of its employees, agents, consultants and subconsultants. The Agency shall have no right of control over the manner in which the work is to be done but only as to its outcome, and shall not be charged with the responsibility of preventing risk to Consultant or its employees, agents, consultants or subconsultants.

XII. INDEMNITY AND LITIGATION COSTS

Consultant shall indemnify, defend, and hold harmless the Agency, its officers, officials, agents, and employees from and against any and all claims, damages, demands, liability, costs, losses and expenses, including without limitation court costs and reasonable attorneys’ fees arising out of or in connection with Consultant’s negligent performance of work hereunder or its negligent failure to comply with any of its obligations contained in the Contract Documents, except such loss or damage which was caused by the sole negligence, or willful misconduct of the Agency.

XIII. CONSULTANT TO PROVIDE INSURANCE

A. Consultant shall not commence any work before obtaining, and shall maintain in force at all times during the duration and performance of this Contract the policies of insurance specified in this Section.

1. Workers’ Compensation and Employer’s Liability Insurance.
   a. Workers’ Compensation - Insurance to protect the Consultant, its consultants and subconsultants from all claims under Worker’s Compensation and Employer’s Liability Acts, including Longshoremen’s and Harbor Worker’s Act (“Acts”), if applicable. Such coverage shall be maintained, in type and amount, in strict compliance with all applicable state and federal statutes and regulations.
   b. Claims Against Agency - If an injury occurs to any employee of the Consultant for which the employee or his/her dependents, in the event of his/her death, may be entitled to compensation from the Agency under the provisions of said Acts, for which compensation is claimed from the Agency, there will be retained out of the sums due the Consultant under this Contract, an amount sufficient to cover such compensation as fixed by said Acts, until such compensation is paid or it is determined that no compensation is due. If the Agency is required to pay such compensation, the amount so paid will be deducted and retained from such sums due, or to become due to the Consultant.

2. Professional General Liability.

The Consultant and its contractors and subcontractors shall secure and maintain in full force, during the term of this Contract professional general liability insurance policies appropriate to the respective professions and the work to be performed as specified in this Contract.
XIV. MISCELLANEOUS PROVISIONS

A. The Consultant shall keep itself fully informed of, shall observe and comply with, and shall cause any and all persons, firms or corporations employed by it or under its control to observe and comply with, applicable federal, state, county and municipal laws, ordinances, regulations, orders and decrees which in any manner affect those engaged or employed on the work described by this Contract or the materials used or which in any way affect the conduct of the work.

B. Consultant shall not engage in unlawful employment discrimination. Such unlawful employment discrimination includes, but is not limited to, employment discrimination based upon a person’s race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, citizenship or sexual orientation.

C. This Contract constitutes the entire agreement between the parties relative to the services specified herein and no modification hereof shall be effective unless and until such modification is evidenced by a writing signed by both parties to this Contract. There are no understandings, agreements, conditions, representations, warranties or promises.

D. The Agency Executive Director is authorized to act on behalf of the Agency in the administration of this contract.

E. All notices that are required to be given by one party to the other under this Contract shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited in a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses:

Agency: Redevelopment Agency of Grass Valley
125 East Main Street
Grass Valley, CA 95945
ATTN: Daniel C. Holler, Executive Director

Consultant: Charles Bobo
CCS Marketing
6225 Moorfield Ave.
Colorado Springs, CO 90919

F. This Contract shall be interpreted and governed by the laws of the State of California.

G. Any action arising out of this Contract shall be brought in Nevada County California, regardless of where else venue may lie.

H. In any action brought by either party to enforce the terms of this Contract, the prevailing party shall be entitled to recover its reasonable attorney’s fees.
Executed the day and year first above written, by the parties as follows.

REDEVELOPMENT AGENCY
OF GRASS VALLEY

By: ______________________
Title: Jan Arbuckle, Chair
Date: ______________________

CONSULTANT

By: ______________________
Title: Charles Bobo
Date: February 3, 2011

APPROVED AS TO FORM:

By: ______________________
Title: Ruthann G. Ziegler, Agency Attorney

ATTEST:

By: ______________________
Title: Kristi Bashor, Agency Secretary